

Office of Chief Counsel
Internal Revenue Service

memorandum

CC:WR:LAD:LA:TL-N-7775-98

KHAnkeny

date: July 26, 1999

to: Copelia Lightner, Senior Team Coordinator

from: District Counsel, Los Angeles District, Los Angeles

subject: Extending the Period of Limitations for [REDACTED]'s
TEFRA Partnerships

DISCLOSURE STATEMENT

This advice constitutes return information subject to I.R.C. § 6103. This advice contains confidential information subject to attorney-client and deliberative process privileges and is prepared in contemplation of litigation, subject to the attorney work product privilege. Accordingly, the Examination or Appeals recipient of this document may provide it only to those persons whose official tax administration duties with respect to this case require such disclosure. In no event may this document be provided to Examination, Appeals, or other persons beyond those specifically indicated in this statement. This advice may not be disclosed to taxpayers or their representatives.

This advice is not binding on Examination or Appeals and is not a final case determination. Such advice is advisory and does not resolve Service position on an issue or provide the basis for closing a case. The determination of the Service in the case is to be made through the exercise of the independent judgment of the office with jurisdiction over the case.

ISSUE

Should both the tax matters partner and [REDACTED] sign the consent (the Consent) to extend the time to assess the tax attributable to partnership items for each of [REDACTED] [REDACTED]'s partnerships?

CONCLUSION

Both the tax matters partner and [REDACTED] should sign each Consent.

FACTS

[REDACTED] and its subsidiaries file consolidated returns. Some of these subsidiaries are tax matters partners in TEFRA partnerships.

DISCUSSION

Both the tax matters partner and [REDACTED] should sign each Consent. The tax matters partner should sign because section 6229(b)(1)(B) requires that a Consent be "entered into by the Secretary and the tax matters partner (or any other person authorized by the partnership in writing to enter into such an agreement), before the expiration of such period." In addition, because the tax matters partners are subsidiaries in a consolidated filing group under section 1.1502-77(a) of the Regulations, [REDACTED] should also sign each Consent. Section 1.1502-77(a) provides:

The common parent . . . shall be the sole agent for each subsidiary in the group, duly authorized to act in its own name in all matters relating to the tax liability for the consolidated return year. . . . [T]he common parent in its name will give waivers . . . and any waiver . . . so given . . . shall be considered as having also been given . . . by each such subsidiary.

You also asked where [REDACTED] should sign and whether any specific language is necessary. [REDACTED] should sign immediately beneath the signature of the tax matters partner. Their signatures should be identified as follows:

[Tax matters partner] by [name of authorized representative for tax matters partner, title of authorized representative], Tax Matters Partner of [partnership].

[REDACTED] by [name of authorized representative for [REDACTED], title of authorized representative], on behalf of [tax matters partner], Tax Matters Partner of [partnership].

Please call me at ((213) 894-3027, ext. 155) if you have any questions.

JAMES A. NELSON
District Counsel

By: _____
KATHERINE H. ANKENY
Attorney